

SCHEDULE OF SUPPORTING PROGRAM EXPENSES

Lafourche ARC

For the year ended June 30, 1996

	Residential					
	Chackbay	Country Club	Diplomat Way	Stevens Home	Narrow Street	Terry Home
Administrative and General						
Central office	\$ 24,233	\$ 24,233	\$ 24,233	\$ 24,233	\$ 24,233	\$ 24,233
Vehicles	4,244	4,930	2,425	1,948	1,377	4,633
Salaries and benefits	-	-	-	-	-	-
Insurance	13,884	12,635	14,752	21,398	9,254	18,021
Office supplies	299	326	551	275	222	231
Travel and seminar	569	368	605	1,049	344	564
Interest	-	-	-	8,611	-	-
Telephone	1,395	1,169	1,565	1,653	1,049	842
Dues and subscriptions	-	-	-	-	66	-
Training-in-service	235	187	223	136	106	244
Licenses	425	400	410	447	410	400
Postage	3	-	32	8	6	7
Professional fees	1,150	1,150	1,150	2,150	1,150	1,150
Bed fees	19,413	19,413	19,413	19,413	19,413	19,413
Other	82	-	56	-	-	-
	<u>65,932</u>	<u>64,811</u>	<u>65,415</u>	<u>81,321</u>	<u>57,630</u>	<u>69,738</u>
Plant Operations and Maintenance						
Contracts - outside services	202	217	-	192	-	19
Maintenance - building and grounds	1,393	108	729	840	455	502
Maintenance - furniture and fixtures	1,110	342	1,037	136	1,325	2,589
Utilities	4,926	5,046	4,288	5,391	5,050	5,617
	<u>7,631</u>	<u>5,713</u>	<u>6,054</u>	<u>6,559</u>	<u>6,830</u>	<u>8,727</u>
Costs Related to Capital Assets						
Depreciation and amortization	3,080	4,817	2,693	13,906	553	1,810
Lease expense	20,200	8,400	19,200	-	10,500	6,450
	<u>23,280</u>	<u>13,217</u>	<u>21,893</u>	<u>13,906</u>	<u>11,053</u>	<u>8,260</u>
Dietary Expenses						
Food	10,589	8,928	14,239	14,412	10,022	12,686
Supplies	34	13	103	86	-	73
Contracts - dietician	1,300	1,300	1,200	1,400	1,076	1,037
	<u>11,923</u>	<u>10,241</u>	<u>15,542</u>	<u>15,898</u>	<u>11,098</u>	<u>13,796</u>
Laundry and Linen						
Supplies	203	231	187	220	112	131
Linen and bedding	67	61	441	150	-	46
	<u>270</u>	<u>292</u>	<u>628</u>	<u>370</u>	<u>112</u>	<u>177</u>
Housekeeping						
Supplies	5,214	4,360	4,190	2,593	2,710	3,989
Personal Client Needs						
Clothing	293	2,183	561	850	414	1,106
Other	673	1,215	1,867	898	421	923
	<u>966</u>	<u>3,398</u>	<u>2,428</u>	<u>1,748</u>	<u>835</u>	<u>2,029</u>
Total supporting program expenses	<u>\$ 115,216</u>	<u>\$ 102,032</u>	<u>\$ 116,150</u>	<u>\$ 122,395</u>	<u>\$ 90,268</u>	<u>\$ 106,716</u>

SCHEDULE OF PROGRAM ACTIVITIES

Lafourche ARC

For the year ended June 30, 1996

	Residential					
	Chackbay	Country Club	Diplomat Way	Stevens Home	Narrow Street	Terry Home
Public Support and Revenue						
Public Support:						
Governmental Grants:						
Office for Citizens with Developmental Disabilities	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Group Services:						
Title XIX - charges for services Residential Community Homes State institution Unassociated group Sheltered workshop, net of \$122,721 of direct costs Donations	281,188	244,254	287,964	329,542	247,968	302,010
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	-	-	-
	-	-	-	100	-	-
	281,188	244,254	287,964	329,642	247,968	302,010
Revenue:						
Allocations	-	-	-	-	-	-
Client income	28,579	19,879	22,515	23,767	19,386	11,413
Interest income	12,134	6,841	12,166	581	6,380	6,681
Miscellaneous	-	-	-	-	-	-
	40,713	26,720	34,681	24,348	25,766	18,094
Total public support and revenue	321,901	270,974	322,645	353,990	273,734	320,104
Expenses						
Program expenses:						
Medical and nursing	4,660	5,080	5,933	3,494	1,626	3,722
Therapeutic and training	162,531	152,970	164,208	221,701	117,512	216,147
Recreational	373	201	352	484	172	466
Consultants	10,044	9,102	14,712	15,382	7,923	12,760
Total program expenses	177,608	167,353	185,205	241,061	127,233	233,095
Support services:						
Administrative and general	65,932	64,811	65,415	81,321	57,630	69,738
Plant operation and maintenance	7,631	5,713	6,054	6,559	6,830	8,727
Costs related to capital assets	23,280	13,217	21,893	13,906	11,053	8,260
Dietary expenses	11,923	10,241	15,542	15,898	11,098	13,796
Laundry and linen	270	292	628	370	112	177
Housekeeping	5,214	4,360	4,190	2,593	2,710	3,989
Personal client needs	966	3,398	2,428	1,748	835	2,029
Total support services expenses	115,216	102,032	116,150	122,395	90,268	106,716
Total expenses	292,824	269,385	301,355	363,456	217,501	339,811
Increase (decrease) in Net Assets	29,077	1,589	21,290	(9,466)	56,233	(19,707)
Net Assets						
Beginning of year	234,894	143,327	252,302	41,176	120,682	163,816
End of year	<u>\$ 263,971</u>	<u>\$ 144,916</u>	<u>\$ 273,592</u>	<u>\$ 31,710</u>	<u>\$ 176,915</u>	<u>\$ 144,109</u>

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

i) Donated Property and Equipment

Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Such donations are reported as unrestricted support unless the donor has restricted the donated asset to a specific purpose. Assets donated with explicit restrictions regarding their use and contributions of cash that must be used to acquire property and equipment are reported as restricted support. Absent donor stipulations regarding how long those donated assets must be maintained, the Association reports expirations of donor restrictions when the donated or acquired assets are placed in service as instructed by the donor. The Association reclassifies temporarily restricted net assets to unrestricted net assets at the time.

j) Donated Services

No amounts have been reflected in the financial statements for donated services. The Association pays for most services requiring specific expertise. However, many individuals volunteer their time and perform a variety of tasks that assist the Association with specific assistance programs, and various committee assignments.

k) Compensated Absences

All full-time employees earn one day of leave per month for a maximum of twelve (12) days leave per fiscal year. The twelve days are to cover both vacation and sick leave. Leave must be taken during the fiscal year earned and is not cumulative from one year to the next. Accordingly, the financial statements do not include a provision for compensated absences.

l) Functional Expenses

The costs of providing various services and other activities have been summarized on a functional basis in the Statement of Activities and the Statement of Functional Expenses in accordance with cost reporting regulations of the Louisiana Department of Health and Hospitals. Accordingly, certain costs have been allocated among the services and activities benefited. Transactions and resulting balances of charges for services between the Association's programs have been eliminated from the financial statements.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

m) Income Taxes

The Association is a non-profit organization and is exempt from income taxes under Section 501 (c) (3) of the Internal Revenue Code of 1954, as amended. Therefore, no provisions for income taxes have been made.

Note 2 - CHANGE IN ACCOUNTING PRINCIPLES

The Association elected to adopt Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made", in the fiscal year ended June 30, 1996. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. During the years ended June 30, 1996 and 1995, the Association did not receive temporarily restricted or permanently restricted support. Accordingly, SFAS No. 116 had no effect on the change in net assets for the years ended June 30, 1996 and 1995.

In 1996 the Association adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Association is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets) based upon or absence of donor imposed restrictions. As permitted by this new standard, the Association has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present classes of net assets. At June 30, 1996 and 1995, the Association had no temporarily or permanently restricted net assets. Therefore, the reclassification had no effect on the change in net assets for the years ended June 30, 1996 and 1995. However, discontinuance of the use of fund accounting reduced public support and program expenses reported for the year ended June 30, 1995 by \$231,841 and the balances in the due to/from other funds by \$707,321 at June 30, 1995 as a result of the elimination of charges for services and other transactions between funds.

Note 3 - CASH AND INVESTMENTS

During the year ended June 30, 1996 and 1995, the Association maintained its cash deposits and certificates of deposit with a single bank. As of June 30, 1996 and 1995, all deposits and certificates of deposit were secured by FDIC insurance and the market value of United States and other government securities purchased and pledged to the Association at June 30, 1996 and 1995.

Note 4 - DUE FROM STATE OF LOUISIANA

Amounts due from State of Louisiana at June 30, 1996 and 1995 were as follows:

	1996	1995
Department of Health and Hospitals	\$453,481	\$441,299
Department of Social Services	2,963	-
Totals	\$456,444	\$441,299

Note 5 - BUILDINGS, FURNITURE AND EQUIPMENT

Building, furniture and equipment at June 30, 1996 and 1995 consist of the following:

	1996	1995
Land	\$ 53,000	\$ 53,000
Buildings	863,421	548,144
Life safety code additions	4,349	4,349
Vehicles	448,340	411,112
Furniture and fixtures	378,801	330,814
Medical equipment	2,038	2,038
Minor equipment	14,619	14,619
Construction in progress	29,389	260,136
	1,793,957	1,624,212
Less: Accumulated depreciation	706,031	615,950
Net buildings, furniture and equipment	\$1,087,926	\$1,008,262

At June 30, 1996 and 1995 construction in progress represents land improvements and architectural services incurred in connection with construction of buildings and additions to be used in day program services.

Note 6 - NOTE PAYABLE

The note payable at June 30, 1995 consisted of construction financing with a bank for the Stevens Community Home. The construction financing was converted to a \$200,000 note payable, dated May 4, 1995 with a balance of \$192,742 at June 30, 1995, collateralized by a certificate of deposit and U.S. Treasury Bill, payable in eleven monthly installments of \$2,000 including interest at 8.5% and one irregular last payment estimated at \$188,500 due May 4, 1996. The note payable was paid off in December, 1995.

Note 7 - DUE TO STATE OF LOUISIANA

The State of Louisiana Department of Health and Hospitals Office for Citizens with Developmental Disabilities awards, to eligible private non-profit organizations to develop community residential programs for the mentally disabled, non-interest bearing and unsecured advances. At June 30, 1996 and 1995, these advances with an original maturity date of September 1, 1987 amounted to \$34,835. Repayment has been temporarily suspended and the advances remain unpaid.

Note 8 - LEASE COMMITMENTS

Commitments under lease agreements for residential community homes provide for future minimum rental payments as follows:

	<u>1997</u>	<u>1998</u>	<u>1999</u>	<u>Total</u>
Country Club	\$ 8,400	\$ 8,400	\$5,600	\$22,400
Diplomat Way	1,600	-	-	1,600
Narrow St.	10,200	3,400	-	13,600
Terry Home	<u>1,575</u>	<u>-</u>	<u>-</u>	<u>1,575</u>
Totals	<u>\$21,775</u>	<u>\$11,800</u>	<u>\$5,600</u>	<u>\$39,175</u>

Rental expenses incurred under leases for the year ended June 30, 1996 were \$77,850 and \$92,480 for the year ended June 30, 1995.

Rental expense incurred under operating lease agreements for independent apartment living for the year ended June 30, 1995 was \$1,560. There was no rental expense incurred for the year ended June 30, 1996.

Note 9 - CENTRAL OFFICE OVERHEAD

The central office overhead was established to account for supporting program expenses common to the residential programs. Each program reimburses the central office for its share. The amount allocated to each program, as supporting service - administrative and general is based upon time and level of effort expended on each program. For the years ended June 30, 1996 and 1995, personal service and occupancy costs amounting to \$200,656 and \$298,245, respectively, were incurred.

The amounts allocated to each residential program are as follows:

	<u>1996</u>	<u>1995</u>
Chackbay Community Home	\$ 24,233	\$ 42,563
Country Club Community Home	24,233	42,563
Diplomat Way Community Home	24,233	42,563
Stevens Community Home	24,233	42,563
Narrow St. Community Home	24,233	42,563
Terry Community Home	24,233	42,563
Respite	45,025	35,278
Supervised Apartments	<u>10,233</u>	<u>7,589</u>
Total	<u>\$200,656</u>	<u>\$298,245</u>

Note 10 - RELATED PARTY TRANSACTIONS

Various auto repair and maintenance services were provided to the Association by a business partially owned by an employee of the Association. Total payments made to this business for the year ending June 30, 1996 and 1995 amounted to \$8,147 and \$11,980, respectively.

The Association maintains all its cash and investments in one bank. One of the Association's board members is also a board member for this bank.

Note 11 - LETTER OF CREDIT

At June 30, 1996, a letter of credit amounting to \$9,600 relating to the local matching funds for Section 5310 Elderly and Disabled Grants Program to purchase equipment under State Project No. 736-99-0391 and Federal Project No. LA-16-0023 was

Note 11 - LETTER OF CREDIT (Continued)

outstanding. A promissory note in the amount of \$9,600 secures the letter of credit. The note will only be drawn against if the letter of credit is presented to the bank for payment. The note is due on demand and bears interest at 10.75% annually on the outstanding balance.

Note 12 - ECONOMIC DEPENDENCY

The Association receives federal and state funding on a per diem per client/unit basis, on a reimbursement for actual expenditure basis. Federal and state match funding from the Department of Health and Human Services, passed through the Louisiana State Department of Health and Hospitals Office of Family Security, Medical Assistance Program - Medicaid/ Title XIX are on a per diem basis. These payments are considered a payment for a service as opposed to a grant award.

In addition, the Association receives state grants from the Department of Health and Hospitals Office for Citizens with Developmental Disabilities on a per diem basis.

If significant budget cuts are made at the federal, state and/or local levels the amount of the funds the Association receives could be reduced significantly and have an adverse impact on its operations. Management is not aware of any actions that will adversely affect the amount of funds the Association will receive in the next fiscal year.

Note 13 - CHANGE IN ACCOUNTING ESTIMATE

During 1995, for purposes of allocating overhead to activities to Residential Services, the Association changed its method of estimating the level of efforts and direct services provided. In the prior year, Residential Services used total revenue as a basis for allocating overhead costs. During 1995, the Association began using time and effort expended as a basis for allocating overhead costs. This change had no effect on the financial statements of Residential Services.

SUPPLEMENTAL INFORMATION



Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTAL INFORMATION

To the Board of Directors,
Lafourche ARC,
Thibodaux, Louisiana.

Our report on our audit of the basic financial statements of Lafourche ARC, a nonprofit organization, for 1996 appears on pages 1 and 2. That audit was made for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental information contained in schedules 1 through 4 is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, La.,
November 18, 1996.

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

e) Investments

Investments which are comprised of certificates of deposit and a U.S. Treasury Bill at June 30, 1996 and 1995, are stated at cost, which approximates market.

f) Bad Debts

The financial statements of the Association contain no allowance for bad debts. Uncollectible receivables are recognized as bad debts at the time information becomes available which would indicate the uncollectibility of the particular receivable. These amounts are not considered to be material in relation to the financial position or change in net assets.

g) Building, Furniture and Equipment

Building, furniture and equipment are stated at cost. Depreciation is computed on a straight-line basis over the following estimated useful lives:

Buildings	20 - 30 years
Furniture and fixtures	5 - 8 years
Equipment:	
Vehicles	3 - 5 years
Other	5 years

h) Restricted and Unrestricted Support

Support that is restricted by the donor is reported as an increase in unrestricted net assets if the restriction expires in the reporting period in which the support is recognized. All other donor-restricted support, if any, is reported as an increase in temporarily or permanently restricted net assets, depending on the nature of the restriction. When a restriction expires (that is, when a stipulated time restriction ends or purpose restriction is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

Respite	Services				Day Care Services	Grand Total
	Supervised Apartments	Central Office	Eliminations	Total		
\$ 135,527	\$ 51,804	\$ 331,476	\$ -	\$ 520,007	\$ 239,428	\$ 759,435
1,208	75,208	-	-	699,950	229,786	929,736
211,375	34,572	-	-	399,556	56,888	456,444
1,043	-	20,360	-	36,798	26,489	63,287
479,213	-	-	(719,189)	-	-	-
8,754	2,200	3,889	-	30,038	9,804	39,842
-	2,575	-	-	3,118	555	3,673
<u>39,571</u>	<u>2,388</u>	<u>8,479</u>	<u>-</u>	<u>462,743</u>	<u>625,183</u>	<u>1,087,926</u>
<u>\$ 876,691</u>	<u>\$ 168,747</u>	<u>\$ 364,204</u>	<u>\$ (719,189)</u>	<u>\$2,152,210</u>	<u>\$1,188,133</u>	<u>\$3,340,343</u>
\$ 36,560	\$ 18,652	\$ 4,437	\$ -	\$ 91,936	\$ 31,519	\$ 123,455
-	-	359,767	(719,189)	-	-	-
-	-	-	-	34,835	-	34,835
<u>36,560</u>	<u>18,652</u>	<u>364,204</u>	<u>(719,189)</u>	<u>126,771</u>	<u>31,519</u>	<u>158,290</u>
<u>840,131</u>	<u>150,095</u>	<u>-</u>	<u>-</u>	<u>2,025,439</u>	<u>1,156,614</u>	<u>3,182,053</u>
<u>\$ 876,691</u>	<u>\$ 168,747</u>	<u>\$ 364,204</u>	<u>\$ (719,189)</u>	<u>\$2,152,210</u>	<u>\$1,188,133</u>	<u>\$3,340,343</u>

In planning and performing our audit of the financial statements of the Association, we obtained an understanding of internal control. With respect to internal control, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on internal control. Accordingly, we do not express such an opinion.

Our consideration of internal control would not necessarily disclose all matters in internal control that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of internal control elements does not reduce to a relatively low level the risk that errors or irregularities in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving internal control and its operations that we consider to be material weaknesses.

This report is intended for the information of the Board of Directors, management and others within the organization, and the State of Louisiana - Department of Health and Hospitals and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, La.,
November, 18, 1996.

Respite	Services				Day Care Services	Eliminations	Grand Total
	Supervised Apartments	Central Office	Eliminations	Total			
\$ -	\$ 71,615			\$ 71,615	\$ 306,999	\$ -	\$ 378,614
1,363,528	185,162			3,241,616	150,714	(60,199)	3,332,131
-	-			-	181,872	(181,872)	-
-	-			-	284,162	-	284,162
-	-			-	43,130	-	43,130
-	-			-	92,414	-	92,414
-	1,227			1,327	10,228	-	11,555
<u>1,363,528</u>	<u>258,004</u>			<u>3,314,558</u>	<u>1,069,519</u>	<u>(242,071)</u>	<u>4,142,006</u>
-	-	\$ 200,656	\$ (200,656)	-	-	-	-
-	60,199	-	-	185,738	-	-	185,738
1,489	2,058	-	-	48,330	14,937	-	63,267
-	-	-	-	-	2,776	-	2,776
<u>1,489</u>	<u>62,257</u>	<u>200,656</u>	<u>(200,656)</u>	<u>234,068</u>	<u>17,713</u>		<u>251,781</u>
<u>1,365,017</u>	<u>320,261</u>	<u>200,656</u>	<u>(200,656)</u>	<u>3,548,626</u>	<u>1,087,232</u>	<u>(242,071)</u>	<u>4,393,787</u>
861	-	227	(227)	25,376	-	-	25,376
880,630	247,008	-	-	2,162,707	688,133	(242,071)	2,608,769
-	-	-	-	2,048	-	-	2,048
1,827	665	-	-	72,415	-	-	72,415
<u>883,318</u>	<u>247,673</u>	<u>227</u>	<u>(227)</u>	<u>2,262,546</u>	<u>688,133</u>	<u>(242,071)</u>	<u>2,708,608</u>
93,918	37,789	178,382	(178,382)	536,554	174,008	-	710,562
2,774	142	8,424	(8,424)	44,430	49,471	-	93,901
12,511	600	12,697	(12,697)	104,720	52,515	-	157,235
-	-	-	-	78,498	-	-	78,498
-	-	-	-	1,849	-	-	1,849
-	-	926	(926)	23,056	11,666	-	34,722
-	-	-	-	11,404	-	-	11,404
<u>109,203</u>	<u>38,531</u>	<u>200,429</u>	<u>(200,429)</u>	<u>800,511</u>	<u>287,660</u>		<u>1,088,171</u>
<u>992,521</u>	<u>286,204</u>	<u>200,656</u>	<u>(200,656)</u>	<u>3,063,057</u>	<u>975,793</u>	<u>(242,071)</u>	<u>3,796,779</u>
372,496	34,057			485,569	111,439		597,008
<u>467,635</u>	<u>116,038</u>	<u>-</u>	<u>-</u>	<u>1,539,870</u>	<u>1,045,175</u>	<u>-</u>	<u>2,585,045</u>
<u>\$ 840,131</u>	<u>\$ 150,095</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,025,439</u>	<u>\$ 1,156,614</u>	<u>\$ -</u>	<u>\$ 3,182,053</u>

Respite	Services			Total	Day Care Services	Eliminations	Grand Total
	Supervised Apartments	Central Office	Eliminations				
\$ -		\$ -	\$ -	\$ 11,079			\$ 11,079
861		227	(227)	8,801			8,801
-		-	-	4,841			4,841
-		-	-	655			655
<u>861</u>		<u>227</u>	<u>(227)</u>	<u>25,376</u>			<u>25,376</u>
807,984	\$ 150,895			1,749,399	\$ 636,726	\$ -	2,386,125
72,646	12,696			146,830	45,666	-	192,496
-	2,661			2,661	-	-	2,661
-	20,557			21,746	69	-	21,815
-	60,199			242,071	5,672	(242,071)	5,672
<u>880,630</u>	<u>247,008</u>			<u>2,162,707</u>	<u>688,133</u>	<u>(242,071)</u>	<u>2,608,769</u>
				<u>2,048</u>			<u>2,048</u>
1,827	-			33,493			33,493
-	-			339			339
-	-			1,338			1,338
-	-			24,787			24,787
-	-			1,410			1,410
-	665			4,268			4,268
-	-			4,060			4,060
-	-			2,720			2,720
<u>1,827</u>	<u>665</u>			<u>72,415</u>			<u>72,415</u>
<u>\$ 883,318</u>	<u>\$ 247,673</u>	<u>\$ 227</u>	<u>\$ (227)</u>	<u>\$2,262,546</u>	<u>\$ 688,133</u>	<u>\$ (242,071)</u>	<u>\$2,708,608</u>

Respite	Services			Total	Day Care Services	Eliminations	Grand Total
	Supervised Apartments	Central Office	Eliminations				
\$ 45,025	\$ 10,233	\$ -	\$ -	\$ 200,656	\$ -		\$ 200,656
3,040	-	-	-	22,597	17,925		40,522
-	-	139,133	(139,133)	-	36,935		36,935
30,221	18,337	6,383	(6,383)	138,502	74,424		212,926
6,598	975	11,891	(11,891)	9,477	8,335		17,812
3,528	8,244	9,016	(9,016)	15,271	6,067		21,338
-	-	-	-	8,611	-		8,611
347	-	3,750	(3,750)	8,020	5,937		13,957
-	-	3,293	(3,293)	66	175		241
1,676	-	177	(177)	2,807	-		2,807
138	-	-	-	2,630	700		3,330
1,027	-	2,088	(2,088)	1,083	1,449		2,532
2,000	-	2,000	(2,000)	9,900	9,006		18,906
-	-	-	-	116,478	-		116,478
318	-	651	(651)	456	13,055		13,511
<u>93,918</u>	<u>37,789</u>	<u>178,382</u>	<u>(178,382)</u>	<u>536,554</u>	<u>174,008</u>		<u>710,562</u>
2,608	-	317	(317)	3,238	-		3,238
-	-	2,512	(2,512)	4,027	23,380		27,407
166	142	372	(372)	6,847	-		6,847
-	-	5,223	(5,223)	30,318	26,091		56,409
<u>2,774</u>	<u>142</u>	<u>8,424</u>	<u>(8,424)</u>	<u>44,430</u>	<u>49,471</u>		<u>93,901</u>
12,511	600	3,497	(3,497)	39,970	48,615		88,585
-	-	9,200	(9,200)	64,750	3,900		68,650
<u>12,511</u>	<u>600</u>	<u>12,697</u>	<u>(12,697)</u>	<u>104,720</u>	<u>52,515</u>		<u>157,235</u>
				70,876			70,876
				309			309
				7,313			7,313
				<u>78,498</u>			<u>78,498</u>
				1,084			1,084
				765			765
				<u>1,849</u>			<u>1,849</u>
		926	(926)	23,056	11,666		34,722
				5,407			5,407
				5,997			5,997
				<u>11,404</u>			<u>11,404</u>
<u>\$ 109,203</u>	<u>\$ 38,531</u>	<u>\$ 200,429</u>	<u>\$ (200,429)</u>	<u>\$ 800,511</u>	<u>\$ 287,660</u>	<u>\$ -</u>	<u>\$ 1,088,171</u>

SPECIAL REPORTS OF CERTIFIED PUBLIC ACCOUNTANTS



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL BASED
ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors,
Lafourche ARC,
Thibodaux, Louisiana.

We have audited the financial statements of the Lafourche ARC, (the Association), a nonprofit organization, as of and for the year ended June 30, 1996, and have issued our report thereon dated November 18, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

The management of the Association is responsible for establishing and maintaining internal control. In fulfilling this responsibility, estimates and judgements by management are required to assess the expected benefits and related costs of internal control policies and procedures. The objectives of internal control are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control, errors or irregularities may nevertheless occur and not be detected. Also projection of any evaluation of internal control to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the financial statements of the Association for the year ended June 30, 1996, we obtained an understanding of internal control. With respect to internal control, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on internal control. Accordingly, we do not express such an opinion.



Bourgeois Bennett

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE BASED
ON AN AUDIT OF THE FINANCIAL STATEMENTS PERFORMED
IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Board of Directors,
Lafourche ARC,
Thibodaux, Louisiana.

We have audited the financial statements of the Lafourche ARC, (the Association), a nonprofit organization, as of and for the year ended June 30, 1996, and have issued our report thereon dated November 18, 1996.

We conducted our audit in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

Compliance with laws, regulations, contracts, and grants applicable to the Association, is the responsibility of the Association's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the Association's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances on noncompliance that are required to be reported under Government Auditing Standards.

This report is intended for the information of the Board of Directors, management, and others within the organization, and the State of Louisiana - Department of Health and Hospitals and the Legislative Auditor. However, this report is a matter of public record and its distribution is not limited.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, La.,
November 18, 1996.



Bourgeois Bennett

COMMUNICATIONS WITH BOARD OF DIRECTORS

To the Board of Directors,
Lafourche ARC,
Thibodaux, Louisiana.

In fulfilling our responsibility as Lafourche ARC auditors for the year ended June 30, 1996, we are required to communicate to the Board of Directors certain matters related to the conduct of our audit.

1) AUDITOR'S RESPONSIBILITY UNDER GENERALLY ACCEPTED AUDITING STANDARDS AND GOVERNMENT AUDITING STANDARDS

Our audit was conducted in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States which require that we plan and perform the audit to obtain reasonable assurance about whether the statements are free of material misstatements.

As required, separate letters have been issued on internal control and compliance with laws and regulations.

2) SIGNIFICANT ACCOUNTING POLICIES

Significant accounting policies are described in Note 1 to the financial statements.

The Association elected to adopt Statement of Financial Accounting Standards (SFAS) No. 116, "Accounting for Contributions Received and Contributions Made", in the fiscal year ended June 30, 1996. In accordance with SFAS No. 116, contributions received are recorded as unrestricted, temporarily restricted or permanently restricted support, depending on the existence and/or nature of any donor restrictions. During the years ended June 30, 1996 and 1995, the Association did not receive temporarily restricted or permanently restricted support. Accordingly, SFAS No. 116 had no effect on the change in net assets for the years ended June 30, 1996 and 1995.

In 1996 the Association adopted Statement of Financial Accounting Standards (SFAS) No. 117, "Financial Statements of Not-for-Profit Organizations." Under SFAS No. 117, the Association is required to report information regarding its financial position and activities according to three classes of net assets (unrestricted net assets, temporarily

To the Board of Directors,
Lafourche ARC,
Page 2

2) **SIGNIFICANT ACCOUNTING POLICIES (Continued)**

restricted net assets, and permanently restricted net assets) based upon or absence of donor imposed restrictions. As permitted by this new standard, the Association has discontinued its use of fund accounting and has, accordingly, reclassified its financial statements to present classes of net assets. At June 30, 1996 and 1995, the Association had no temporarily or permanently restricted net assets. Therefore, the reclassification had no effect on the change in net assets for the years ended June 30, 1996 and 1995. However, discontinuance of the use of fund accounting reduced public support and program expenses reported for the year ended June 30, 1995 by \$231,841 and the balances in the due to/from other funds by \$707,321 at June 30, 1995 as a result of the elimination of charges for services and other transactions between funds.

3) **MANAGEMENT JUDGEMENTS AND ACCOUNTING ESTIMATES**

The most significant estimates reflected in the financial statements relate to the collectibility of accounts receivable and the useful lives of property and equipment. Management has provided us with representations concerning these matters.

4) **SIGNIFICANT AUDIT ADJUSTMENTS**

We did not initiate any significant audit adjustments during our recent audit. Year end adjustments and closing entries were prepared.

This information is intended solely for the use of the Audit Committee, Board of Directors, management of Lafourche ARC and should not be used for any other purpose.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, La.,
November 18, 1996.

SCHEDULE OF PROGRAM EXPENSES

Lafourche ARC

For the year ended June 30, 1996

	Residential					
	Chackbay	Country Club	Diplomat Way	Stevens Home	Narrow Street	Terry Home
Medical and Nursing						
Medical services	\$ 1,075	\$ 3,006	\$ 1,851	\$ 2,262	\$ 916	\$ 1,969
Supplies	2,226	573	3,076	680	411	974
Prescriptions	935	1,365	958	552	273	758
Other	424	136	48	-	26	21
	<u>4,660</u>	<u>5,080</u>	<u>5,933</u>	<u>3,494</u>	<u>1,626</u>	<u>3,722</u>
Therapeutic and Training						
Salaries and benefits	122,123	113,605	123,049	177,994	80,863	172,886
Payroll taxes	9,843	9,048	10,544	13,058	6,294	12,701
Contract labor	-	-	-	-	-	-
Supplies	253	5	303	337	43	248
Habilitation	30,312	30,312	30,312	30,312	30,312	30,312
	<u>162,531</u>	<u>152,970</u>	<u>164,208</u>	<u>221,701</u>	<u>117,512</u>	<u>216,147</u>
Recreational						
Supplies	<u>373</u>	<u>201</u>	<u>352</u>	<u>484</u>	<u>172</u>	<u>466</u>
Consultants						
Registered nurse	3,654	3,972	7,308	7,308	3,943	5,481
Physician	65	63	-	-	116	95
Pharmacist	133	290	229	255	185	246
Psychologist	3,205	3,354	4,228	6,386	2,191	5,423
Physical therapist	1,080	-	330	-	-	-
Other	1,292	245	1,344	255	200	267
Social worker	575	698	713	698	728	648
Speech therapist	40	480	560	480	560	600
	<u>10,044</u>	<u>9,102</u>	<u>14,712</u>	<u>15,382</u>	<u>7,923</u>	<u>12,760</u>
Total program expenses	<u>\$ 177,608</u>	<u>\$ 167,353</u>	<u>\$ 185,205</u>	<u>\$ 241,061</u>	<u>\$ 127,233</u>	<u>\$ 233,095</u>

SCHEDULE OF PROGRAM FINANCIAL POSITION

Lafourche ARC

June 30, 1996

	Residential					
	Chackbay	Country Club	Diplomat Way	Stevens Home	Narrow Street	Terry Home
Assets						
Cash	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200	\$ 200
Investments	168,949	95,241	169,430	-	96,929	92,985
Due from State of Louisiana	26,043	22,327	26,254	29,919	22,631	26,435
Accounts receivable	3,823	2,343	4,199	-	2,959	2,071
Due from other programs	64,723	6,063	63,475	-	89,504	16,211
Prepaid insurance	2,695	2,348	2,505	3,460	1,543	2,644
Other assets	70	135	95	33	105	105
Buildings, furniture and equipment, less accumulated depreciation of \$706,031	3,072	20,736	13,570	363,829	1,850	9,248
Totals	<u>\$ 269,575</u>	<u>\$ 149,393</u>	<u>\$ 279,728</u>	<u>\$ 397,441</u>	<u>\$ 215,721</u>	<u>\$ 149,899</u>
Liabilities						
Accounts payable and accrued liabilities	\$ 5,604	\$ 4,477	\$ 6,136	\$ 6,309	\$ 3,971	\$ 5,790
Due to other programs	-	-	-	359,422	-	-
Due to State of Louisiana	-	-	-	-	34,835	-
Total liabilities	5,604	4,477	6,136	365,731	38,806	5,790
Net Assets						
Unrestricted	263,971	144,916	273,592	31,710	176,915	144,109
Totals	<u>\$ 269,575</u>	<u>\$ 149,393</u>	<u>\$ 279,728</u>	<u>\$ 397,441</u>	<u>\$ 215,721</u>	<u>\$ 149,899</u>

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NOTES TO FINANCIAL STATEMENTS**Lafourche ARC**

June 30, 1996 and 1995

Note 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**a) Nature of Organization**

The Association operates six residential community homes and three day care facilities to provide intermediate care and habilitation for the mentally retarded. The Association also provides respite services to families of mentally retarded individuals.

b) Financial Statement Presentation

Financial statement presentation follows the recommendations of the Financial Accounting Standards Board in its Statement of Financial Accounting Standards (SFAS) No. 117, Financial Statements of Not-for-Profit Organizations. Under SFAS No. 117, the Association is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets.

c) Basis of Accounting

The financial statements of the Association have been prepared on the accrual basis of accounting and accordingly reflect all significant receivables, payables, and other liabilities.

d) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and reported amounts of support, revenues and expenses during the reporting period. Actual results could differ from those estimates.

COMMUNICATIONS LETTER

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Bourgeois Bennett

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors,
Lafourche ARC,
Thibodaux, Louisiana.

We have audited the accompanying statements of financial position of Lafourche ARC (the Association), a nonprofit organization, as of June 30, 1996 and 1995, and the related statements of activities, functional expenses, and cash flows for the years then ended. These financial statements are the responsibility of the Association's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards and Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Association as of June 30, 1996 and 1995, and the changes in its net assets and its cash flows for the years then ended in conformity with generally accepted accounting principles.

In accordance with Government Auditing Standards, we have also issued a report dated November 18, 1996 on our consideration of the Lafourche ARC's internal control and a report dated November 18, 1996 on its compliance with laws and regulations.

Bourgeois Bennett, L.L.C.

Certified Public Accountants.

Houma, La.,
November 18, 1996.

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STATEMENTS OF FINANCIAL POSITION**Lafourche ARC**

June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Assets		
Cash	\$ 759,435	\$ 692,149
Investments	929,736	699,729
Due from State of Louisiana	456,444	441,299
Accounts receivable	63,287	42,043
Prepaid insurance	39,842	39,842
Other assets	3,673	7,251
Buildings, furniture and equipment, less accumulated depreciation of \$706,031 (\$615,950 in 1995)	<u>1,087,926</u>	<u>1,008,262</u>
Totals	<u>\$3,340,343</u>	<u>\$2,930,575</u>
Liabilities		
Accounts payable and accrued liabilities	\$ 123,455	\$ 117,953
Note payable	-	192,742
Due to State of Louisiana	<u>34,835</u>	<u>34,835</u>
Total liabilities	158,290	345,530
Net Assets		
Unrestricted	<u>3,182,053</u>	<u>2,585,045</u>
Totals	<u>\$3,340,343</u>	<u>\$2,930,575</u>

See notes to financial statements.

STATEMENTS OF ACTIVITIES**Lafourche ARC**

For the years ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Public Support and Revenue		
Public Support:		
Governmental Grants:		
Office for Citizens with Developmental Disabilities	\$ 378,614	\$ 435,267
Department of Transportation	-	64,245
Group Services:		
Title XIX - charges for services	3,332,131	3,017,759
State institutions	284,162	278,914
Unassociated group	43,130	52,127
Sheltered workshop, net of \$122,721 (\$126,262 in 1995) of direct costs	92,414	85,202
Donations	<u>11,555</u>	<u>7,834</u>
	<u>4,142,006</u>	<u>3,941,348</u>
Revenue:		
Client income	185,738	174,799
Interest income	63,267	28,885
Miscellaneous	<u>2,776</u>	<u>-</u>
	<u>251,781</u>	<u>203,684</u>
Total public support and revenue	<u>4,393,787</u>	<u>4,145,032</u>
Expenses		
Program expenses:		
Medical and nursing	25,376	28,762
Therapeutic and training	2,608,769	2,303,687
Recreational	2,048	9,397
Consultants	<u>72,415</u>	<u>70,683</u>
Total program expenses	<u>2,708,608</u>	<u>2,412,529</u>

STATEMENT OF FUNCTIONAL EXPENSES

Lafourche ARC

For the year ended June 30, 1996

	Program Services				Total
	Medical and Nursing	Therapeutic and Training	Recrea- tional	Consultants	
Central office	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicles	-	-	-	-	-
Salary, payroll taxes and benefits	-	2,578,621	-	-	2,578,621
Contract labor	-	2,661	-	-	2,661
Insurance	-	-	-	-	-
Supplies	8,801	21,815	2,048	-	32,664
Travel and seminars	-	-	-	-	-
Interest	-	-	-	-	-
Telephone	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-
Training-in-service	-	-	-	-	-
Licenses	-	-	-	-	-
Postage	-	-	-	-	-
Professional fees	-	-	-	-	-
Other	655	-	-	-	655
Contracts - outside services	-	-	-	72,415	72,415
Maintenance and repairs	-	-	-	-	-
Utilities	-	-	-	-	-
Depreciation	-	-	-	-	-
Lease	-	-	-	-	-
Food	-	-	-	-	-
Linen and bedding	-	-	-	-	-
Clothing	-	-	-	-	-
Medical services	11,079	-	-	-	11,079
Prescriptions	4,841	-	-	-	4,841
Habilitation	-	5,672	-	-	5,672
Bed fees	-	-	-	-	-
Total expenses	\$ 25,376	\$2,608,769	\$ 2,048	\$ 72,415	\$2,708,608

Supporting Services

Administra- tive and General	Plant Operations and Maintenance	Capital Assets	Dietary	Laundry and Linen	House- keeping Supplies	Personal Client Needs	Total	Grand Total
\$ 200,656	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 200,656	200,656
40,522	-	-	-	-	-	-	40,522	40,522
36,935	-	-	-	-	-	-	36,935	2,615,556
-	-	-	-	-	-	-	-	2,661
212,926	-	-	-	-	-	-	212,926	212,926
17,812	-	-	309	1,084	34,722	-	53,927	86,591
21,338	-	-	-	-	-	-	21,338	21,338
8,611	-	-	-	-	-	-	8,611	8,611
13,957	-	-	-	-	-	-	13,957	13,957
241	-	-	-	-	-	-	241	241
2,807	-	-	-	-	-	-	2,807	2,807
3,330	-	-	-	-	-	-	3,330	3,330
2,532	-	-	-	-	-	-	2,532	2,532
18,906	-	-	-	-	-	-	18,906	18,906
13,511	-	-	-	-	-	5,997	19,508	20,163
-	3,238	-	7,313	-	-	-	10,551	82,966
-	34,254	-	-	-	-	-	34,254	34,254
-	56,409	-	-	-	-	-	56,409	56,409
-	-	88,585	-	-	-	-	88,585	88,585
-	-	68,650	-	-	-	-	68,650	68,650
-	-	-	70,876	-	-	-	70,876	70,876
-	-	-	-	765	-	-	765	765
-	-	-	-	-	-	5,407	5,407	5,407
-	-	-	-	-	-	-	-	11,079
-	-	-	-	-	-	-	-	4,841
-	-	-	-	-	-	-	-	5,672
116,478	-	-	-	-	-	-	116,478	116,478
<u>\$ 710,562</u>	<u>\$ 93,901</u>	<u>\$ 157,235</u>	<u>\$ 78,498</u>	<u>\$ 1,849</u>	<u>\$ 34,722</u>	<u>\$ 11,404</u>	<u>\$ 1,088,171</u>	<u>\$ 3,796,779</u>

STATEMENT OF FUNCTIONAL EXPENSES

Lafourche ARC

For the year ended June 30, 1995

	<u>Program Services</u>				
	<u>Medical and Nursing</u>	<u>Therapeutic and Training</u>	<u>Recrea- tional</u>	<u>Consultants</u>	<u>Total</u>
Central office	\$ -	\$ -	\$ -	\$ -	\$ -
Vehicles	-	-	-	-	-
Salary, payroll taxes and benefits	-	2,289,606	-	-	2,289,606
Insurance	-	-	-	-	-
Supplies	10,007	12,045	9,397	-	31,449
Travel and seminars	-	-	-	-	-
Interest	-	-	-	-	-
Telephone	-	-	-	-	-
Dues and subscriptions	-	-	-	-	-
Training-in-service	-	-	-	-	-
Licenses	-	-	-	-	-
Postage	-	-	-	-	-
Professional fees	-	-	-	-	-
Other	1,862	-	-	3,431	5,293
Contracts - outside services	-	-	-	67,252	67,252
Maintenance and repairs	-	-	-	-	-
Utilities	-	-	-	-	-
Depreciation	-	-	-	-	-
Lease	-	-	-	-	-
Food	-	-	-	-	-
Linen and bedding	-	-	-	-	-
Clothing	-	-	-	-	-
Medical services	13,689	-	-	-	13,689
Prescriptions	3,204	-	-	-	3,204
Habilitation	-	2,036	-	-	2,036
Bed fees	-	-	-	-	-
Total expenses	<u>\$ 28,762</u>	<u>\$2,303,687</u>	<u>\$9,397</u>	<u>\$ 70,683</u>	<u>\$2,412,529</u>

Supporting Services

Administra- tive and General	Plant Operations and Maintenance	Capital Assets	Dietary	Laundry and Linen	House- keeping Supplies	Personal Client Needs	Total	Grand Total
\$ 298,245	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 298,245	\$ 298,245
42,949	-	-	-	-	-	-	42,949	42,949
60,327	-	-	-	-	-	-	60,327	2,349,933
255,934	-	-	-	-	-	-	255,934	255,934
26,827	-	-	730	4,100	36,861	-	68,518	99,967
19,289	-	-	-	-	-	-	19,289	19,289
14,052	-	-	-	-	-	-	14,052	14,052
15,286	-	-	-	-	-	-	15,286	15,286
1,643	-	-	-	-	-	-	1,643	1,643
2,378	-	-	-	-	-	-	2,378	2,378
3,051	-	-	-	-	-	-	3,051	3,051
3,272	-	-	-	-	-	-	3,272	3,272
5,779	-	-	-	-	-	-	5,779	5,779
16,340	-	-	-	-	-	6,459	22,799	28,092
-	1,602	-	7,421	-	-	-	9,023	76,275
-	54,781	-	-	-	-	-	54,781	54,781
-	58,316	-	-	-	-	-	58,316	58,316
-	-	70,250	-	-	-	-	70,250	70,250
-	-	83,890	-	-	-	-	83,890	83,890
-	-	-	97,796	-	-	-	97,796	97,796
-	-	-	-	2,995	-	-	2,995	2,995
-	-	-	-	-	-	11,152	11,152	11,152
-	-	-	-	-	-	-	-	13,689
-	-	-	-	-	-	-	-	3,204
-	-	-	-	-	-	-	-	2,036
120,102	-	-	-	-	-	-	120,102	120,102
<u>\$ 885,474</u>	<u>\$ 114,699</u>	<u>\$ 154,140</u>	<u>\$ 105,947</u>	<u>\$ 7,095</u>	<u>\$ 36,861</u>	<u>\$ 17,611</u>	<u>\$ 1,321,827</u>	<u>\$ 3,734,356</u>

**Exhibit B
(Continued)**

	<u>1996</u>	<u>1995</u>
Expenses		
Supporting services:		
Administrative and general	710,562	885,474
Plant operations and maintenance	93,901	114,699
Costs related to capital assets	157,235	154,140
Dietary expenses	78,498	105,947
Laundry and linen	1,849	7,095
Housekeeping	34,722	36,861
Personal client needs	11,404	17,611
	<u>1,088,171</u>	<u>1,321,827</u>
Total support expenses		
	<u>3,796,779</u>	<u>3,734,356</u>
Total expenses		
	597,008	410,676
Increase in Net Assets		
Net Assets		
Beginning of year	<u>2,585,045</u>	<u>2,174,369</u>
End of year	<u>\$3,182,053</u>	<u>\$2,585,045</u>

See notes to financial statements.

**Exhibit E
(Continued)**

	<u>1996</u>	<u>1995</u>
Cash Flows from Financing Activities		
Proceeds from notes payable	-	200,000
Payment on notes payable	<u>(192,742)</u>	<u>(7,258)</u>
Net cash provided (used) by investing activities	<u>(192,742)</u>	<u>192,742</u>
Net increase (decrease) in cash	67,286	(452,024)
Cash		
Beginning of year	<u>692,149</u>	<u>1,144,173</u>
End of year	<u>\$ 759,435</u>	<u>\$ 692,149</u>
Supplemental Disclosures		
Interest paid	<u>\$ 8,611</u>	<u>\$ 12,742</u>

See notes to financial statements.

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Financial Report

Lafourche ARC

Thibodaux, Louisiana

June 30, 1996

Under provisions of state law, this report is a public document. A copy of the report has been submitted to the audited, or reviewed, entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date FEB 12 1997

STATEMENTS OF CASH FLOWS**Lafourche ARC**

For the year ended June 30, 1996 and 1995

	<u>1996</u>	<u>1995</u>
Cash Flows from Operating Activities		
Increase in net assets	\$ 597,008	\$ 410,676
Adjustments to reconcile change in net assets to net cash provided by operating activities:		
Loss on sale of furniture and equipment	-	738
Gain on sale of vehicle	(2,000)	-
Depreciation	92,080	73,037
Decrease (increase) in:		
Receivables	(36,389)	49,516
Prepaid insurance	-	(5,987)
Other assets	3,578	-
Increase (decrease) in:		
Accounts payable	5,502	(5,430)
Total adjustments	<u>62,771</u>	<u>111,874</u>
Net cash provided by operating activities	<u>659,779</u>	<u>522,550</u>
Cash Flows from Investing Activities		
Proceeds on sale of furniture and equipment	-	7,104
Proceeds on sale of vehicle	2,000	-
Building construction	(84,533)	(557,608)
Purchase of vehicles	(39,224)	(86,280)
Purchase of furniture and fixtures	(47,987)	(35,745)
Purchase of investments	(730,007)	(1,001,743)
Proceeds from maturity of investments	500,000	502,014
Cash deposits refunded	-	4,942
Net cash used by investing activities	<u>(399,751)</u>	<u>(1,167,316)</u>